

**441.21A Commercial and industrial property tax replacement — replacement claims.**

1. *a.* For each fiscal year beginning on or after July 1, 2014, but before July 1, 2029, there is appropriated from the general fund of the state to the department of revenue an amount necessary for the payment of all commercial and industrial property tax replacement claims under [this section](#) for the fiscal year. However, for the fiscal years beginning on July 1, 2017, July 1, 2018, July 1, 2019, July 1, 2020, and July 1, 2021, the total amount of moneys appropriated from the general fund of the state to the department of revenue for the payment of commercial and industrial property tax replacement claims in each fiscal year shall not exceed the total amount of money necessary to pay all commercial and industrial property tax replacement claims for the fiscal year beginning July 1, 2016.

*b.* Moneys appropriated by the general assembly to the department under [this subsection](#) for the payment of commercial and industrial property tax replacement claims are not subject to a uniform reduction in appropriations in accordance with [section 8.31](#).

2. *a.* For each fiscal year beginning on or after July 1, 2014, but before July 1, 2022, each county treasurer shall be paid by the department of revenue an amount equal to the amount of the commercial and industrial property tax replacement claims in the county, as calculated in [subsection 4](#). If an amount appropriated for the fiscal year beginning on July 1, 2017, July 1, 2018, July 1, 2019, July 1, 2020, or July 1, 2021, is insufficient to pay all replacement claims for the fiscal year, the director of revenue shall prorate the payment of replacement claims to the county treasurers and shall notify the county auditors of the pro rata percentage on or before September 30.

*b.* For each fiscal year beginning on or after July 1, 2022, but before July 1, 2029, each county treasurer shall be paid by the department of revenue an amount equal to the sum of the commercial and industrial property tax replacement claims for all taxing authorities, or portion thereof, located in the county, as calculated in [subsection 5](#). The county treasurer shall pay to each taxing authority the taxing authority's commercial and industrial property tax replacement claim, or portion thereof, as calculated in [subsection 5](#).

3. *a.* On or before July 1 of each fiscal year beginning on or after July 1, 2014, but before July 1, 2022, the assessor shall report to the county auditor the total actual value of all commercial property and industrial property in the county that is subject to assessment and taxation for the assessment year used to calculate the taxes due and payable in that fiscal year.

*b.* On or before July 1, 2022, the department of management shall calculate and report to the department of revenue for each taxing authority in this state that is a city or a county all of the following:

(1) The total assessed value as of January 1, 2012, of all taxable property located in the taxing authority that is subject to assessment and taxation used to calculate taxes which are due and payable in the fiscal year beginning July 1, 2013, excluding property subject to the statewide property tax imposed under [section 437A.18](#) or [437B.14](#).

(2) The total assessed value as of January 1, 2019, of all taxable property located in the taxing authority that is subject to assessment and taxation used to calculate taxes which are due and payable in the fiscal year beginning July 1, 2020, excluding property subject to the statewide property tax imposed under [section 437A.18](#) or [437B.14](#).

4. On or before a date established by rule of the department of revenue of each fiscal year beginning on or after July 1, 2014, but before July 1, 2022, the county auditor shall prepare a statement, based upon the report received pursuant to [subsection 3](#), paragraph "a", listing for each taxing district in the county:

*a.* The difference between the assessed valuation of all commercial property and industrial property for the assessment year used to calculate taxes which are due and payable in the applicable fiscal year and the actual value of all commercial property and industrial property that is subject to assessment and taxation for the same assessment year. If the difference between the assessed value of all commercial property and industrial property and the actual valuation of all commercial property and industrial property is zero, there is no tax replacement for that taxing district for the fiscal year.

b. The tax levy rate per one thousand dollars of assessed value for each taxing district for that fiscal year.

c. The commercial and industrial property tax replacement claim for each taxing district. The replacement claim is equal to the amount determined pursuant to paragraph “a”, multiplied by the tax rate specified in paragraph “b”, and then divided by one thousand dollars.

5. a. As used in [this subsection](#), unless the context clearly requires otherwise:

(1) “*Qualified taxing authority*” means any of the following:

(a) A taxing authority that is not a city or a county.

(b) A taxing authority that is a city or county for which the amount determined under [subsection 3](#), paragraph “b”, subparagraph (2), is less than one hundred thirty-one and twenty-four hundredths percent of the amount determined under [subsection 3](#), paragraph “b”, subparagraph (1).

(2) “*Taxing authority*” means a city, county, community college, or other governmental entity or political subdivision in this state authorized to certify a levy on property located within such authority, but does not include a school district.

b. For fiscal years beginning on or after July 1, 2022, but before July 1, 2029, the amount of each taxing authority’s replacement claim is as follows:

(1) If the taxing authority is a qualified taxing authority:

(a) For the fiscal year beginning July 1, 2022, seven-eighths of the amount received by the taxing authority under [this section](#) for the fiscal year beginning July 1, 2021.

(b) For the fiscal year beginning July 1, 2023, six-eighths of the amount received by the taxing authority under [this section](#) for the fiscal year beginning July 1, 2021.

(c) For the fiscal year beginning July 1, 2024, five-eighths of the amount received by the taxing authority under [this section](#) for the fiscal year beginning July 1, 2021.

(d) For the fiscal year beginning July 1, 2025, four-eighths of the amount received by the taxing authority under [this section](#) for the fiscal year beginning July 1, 2021.

(e) For the fiscal year beginning July 1, 2026, three-eighths of the amount received by the taxing authority under [this section](#) for the fiscal year beginning July 1, 2021.

(f) For the fiscal year beginning July 1, 2027, two-eighths of the amount received by the taxing authority under [this section](#) for the fiscal year beginning July 1, 2021.

(g) For the fiscal year beginning July 1, 2028, one-eighth of the amount received by the taxing authority under [this section](#) for the fiscal year beginning July 1, 2021.

(2) If the taxing authority is not a qualified taxing authority:

(a) For the fiscal year beginning July 1, 2022, four-fifths of the amount received by the taxing authority under [this section](#) for the fiscal year beginning July 1, 2021.

(b) For the fiscal year beginning July 1, 2023, three-fifths of the amount received by the taxing authority under [this section](#) for the fiscal year beginning July 1, 2021.

(c) For the fiscal year beginning July 1, 2024, two-fifths of the amount received by the taxing authority under [this section](#) for the fiscal year beginning July 1, 2021.

(d) For the fiscal year beginning July 1, 2025, one-fifth of the amount received by the taxing authority under [this section](#) for the fiscal year beginning July 1, 2021.

(e) For the fiscal year beginning July 1, 2026, and each succeeding fiscal year beginning before July 1, 2029, zero.

(3) The department of management shall calculate and report to the department of revenue the amount received by each taxing authority in this state as the result of commercial and industrial property tax replacement claims paid for the fiscal year beginning July 1, 2021, and the portion of the amount attributable to each county where the taxing authority is located, if applicable.

6. For purposes of computing replacement amounts under [this section](#) for fiscal years beginning on or after July 1, 2014, but before July 1, 2022, that portion of an urban renewal area defined as the sum of the assessed valuations defined in [section 403.19, subsections 1 and 2](#), shall be considered a taxing district.

7. a. For fiscal years beginning on or after July 1, 2014, but before July 1, 2022, the county auditor shall certify and forward one copy of the statement to the department of revenue not later than a date of each year established by the department of revenue by rule.

b. The replacement claims shall be paid to each county treasurer in equal installments in September and March of each year. The county treasurer shall apportion the replacement claim payments among the eligible taxing districts in the county.

c. If the taxing district is an urban renewal area, the amount of the replacement claim shall be apportioned and credited to those portions of the assessed value defined in [section 403.19, subsections 1 and 2](#), as follows:

(1) To that portion defined in [section 403.19, subsection 1](#), an amount of the replacement claim that is proportionate to the amount of actual value of the commercial and industrial property in the urban renewal area as determined in [section 403.19, subsection 1](#), that was subtracted pursuant to [section 403.20](#), as it bears to the total amount of actual value of the commercial and industrial property in the urban renewal area that was subtracted pursuant to [section 403.20](#) for the assessment year for property taxes due and payable in the fiscal year for which the replacement claim is computed.

(2) To that portion defined in [section 403.19, subsection 2](#), the remaining amount, if any.

d. Notwithstanding the allocation provisions of paragraph “c”, the amount of the tax replacement amount that shall be allocated to that portion of the assessed value defined in [section 403.19, subsection 2](#), shall not exceed the amount equal to the amount certified to the county auditor under [section 403.19](#) for the fiscal year in which the claim is paid, after deduction of the amount of other revenues committed for payment on that amount for the fiscal year. The amount not allocated to that portion of the assessed value defined in [section 403.19, subsection 2](#), as a result of the operation of this paragraph, shall be allocated to that portion of assessed value defined in [section 403.19, subsection 1](#).

e. The amount of the replacement claim amount credited to the portion of the assessed value defined in [section 403.19, subsection 1](#), shall be allocated to and when received be paid into the fund for the respective taxing district as taxes by or for the taxing district into which all other property taxes are paid. The amount of the replacement claim amount credited to the portion of the assessed value defined in [section 403.19, subsection 2](#), shall be allocated to and when collected be paid into the special fund of the municipality under [section 403.19, subsection 2](#).

f. [This subsection](#) shall apply to the apportionment of replacement claim amounts for fiscal years beginning on or after July 1, 2014, but before July 1, 2022.

8. a. For fiscal years beginning on or after July 1, 2022, but before July 1, 2029, each taxing authority’s replacement claim calculated under [subsection 5](#), or portion thereof, shall be paid to the appropriate county treasurer, as provided in [subsection 2](#), paragraph “b”, in equal installments in September and March of each year.

b. After payment by the county treasurer to the taxing authority, the taxing authority’s replacement claim shall be apportioned and credited by the governing body of the taxing authority among the taxing authority’s tax levies in the same proportion that each property tax levy bears to the total of all property tax levies imposed by the taxing authority for the fiscal year for which the payment is received.

c. Of the amounts allocated and credited to each property tax levy that is subject to division under [section 403.19](#), the total amount paid into the fund for the taxing authority as taxes by or for the taxing authority into which all other property taxes are paid and the special fund of the applicable municipality under [section 403.19, subsection 2](#), shall be an amount of the replacement claim that is proportionate to the amount of the total sum of the assessed value of the taxable commercial and industrial property in the urban renewal area as a share of total assessed value of all taxable property in the taxing authority and shall be apportioned as follows:

(1) To the fund for the taxing authority as taxes by or for the taxing authority into which all other property taxes are paid, an amount proportionate to the amount of actual value of the commercial and industrial property in the urban renewal area as determined in [section 403.19, subsection 1](#), that was subtracted pursuant to [section 403.20](#), as it bears to the total amount of actual value of the commercial and industrial property in the urban renewal area that was subtracted pursuant to [section 403.20](#) for the assessment year for property taxes due and payable in the fiscal year for which the replacement claim is computed.

(2) (a) To the special fund of the applicable municipality under [section 403.19, subsection 2](#), the remaining amount, if any.

(b) The amount allocated under subparagraph division (a) shall not exceed the amount equal to the amount certified to the county auditor under [section 403.19](#) for the fiscal year in which the claim is paid, after deduction of the amount of other revenues committed for payment on that amount for the fiscal year. The amount not allocated as a result of the operation of this subparagraph division (b) shall be allocated to and paid into the fund for the taxing authority as taxes by or for the taxing authority in the manner provided in subparagraph (1).

9. [This section](#) is repealed July 1, 2029.

[2013 Acts, ch 123, §20, 22, 23; 2021 Acts, ch 177, §112 – 119](#)

Referred to in [§257.3, 331.512, 331.559](#)

Section amended and editorially internally renumbered